

Budget highlights on the proposed tax amendments for the year 2026/2027



The Minister for Finance has presented his Speech to the Parliament on Government Budget for the fiscal year 2026/2027. Included in the Budget are proposals and amendments to various taxes and levies. These proposed amendments are highlighted below. The Speech mentioned that other changes to tax legislations will be included in the Finance Bill.

It is important to note that these are proposed changes and will only be effective and operational if passed by the Parliament and assented by the President.

The 2026/27 Budget aims at enhancing tax administration, promoting investment, supporting key productive sectors, and improving economic competitiveness.

We highlight the proposed changes below:



Value Added Tax Act (CAP 148)

The proposed measures seek to strike a balance between providing targeted tax relief to priority industries including agriculture, manufacturing, mining, aviation, and clean energy while safeguarding Government revenue through the rationalization of certain tax exemptions.

In addition, the reforms introduce measures designed to improve taxpayer confidence and strengthen accountability within the tax system, particularly in the administration of VAT refunds.

1. 30-days VAT refunds processing period

The Government proposes to mandate VAT refunds to be processed and paid within 30 days of application. Where refunds are delayed beyond this period, taxpayers will be entitled to interest.

The measure is intended to improve taxpayer confidence, encourage voluntary compliance, and strengthen accountability within the tax administration.

2. Grant VAT exemption on:

• Airline boarding passes

Airline boarding passes will be exempted from VAT to align Tanzania's tax framework with its obligations under international air transport agreements and aviation industry standards.

• Dairy packaging materials

Locally produced and imported dairy packaging materials under HS Code 3920.20.90 will qualify for VAT exemption. The measure aims to support the dairy industry by reducing production costs and enhancing competitiveness in domestic and export markets.



• Electric vehicle charging equipment

Imported equipment used in electric vehicle charging stations under HS Code 8504.40.00 will be exempt from VAT to encourage investment in electric mobility infrastructure.

• Aviation equipment and aircraft tires

VAT will be exempted on specified aviation equipment, including turbojets, turbo-propellers, gas turbines, and aircraft tires. The objective is to lower operational costs and promote growth and investment in the aviation sector.

• Imported LPG Smart Meters

LPG distributors will benefit from a VAT exemption on imported LPG smart meters classified under HS Code 9028.10.00, supporting wider adoption of modern gas distribution systems.

• Locally produced edible oil (extension)

The VAT exemption on edible oil manufactured from locally grown oilseeds will be extended for an additional year to help stabilize prices and support local agricultural value chains.



Garments made from local cotton

Clothing and garments produced using locally grown cotton will be exempt from VAT, encouraging domestic cotton utilization and supporting the textile industry.

• Framework Agreements signed between the Government and mining investors

The aim of the amendment is to recognize the exemption provisions in the approved Agreements. Like other exemption provided in Agreements, there will be subject to administration procedures.

• Polyester fibers classified under HS Code 5402.20.00 used in the production of fishing nets.

The aim of this measure is to reduce production costs and attract investment in the country.



3. Abolishment of VAT exemption on:

• Imported fishing nets classified under HS Code 5608.11.00

This measure aims to attract investment in the country.

• Dog and cat food classified under HS Heading 23.09 locally produced and imported

The objective of this measure is to be in line with the Government's commitment to reduce ineffective exemptions to protect Government revenue.

4. Extension of VAT deferment on importation of capital goods

The Government proposes to retain the VAT deferment scheme for imported capital goods by extending application period beyond 30 June 2026. This is intended to support investment by reducing upfront capital costs, given that local production capacity remains insufficient to meet demand.

The Income Tax Act CAP 332

1. Granting 12 months tax holiday to newly registered taxpayer operating under presumptive tax regime

The amendment aims to reduce compliance burdens on startups, reduce disruption and operational cost, and ensure future tax assessments align with verifiable historical turnover. The exemption shall commence on TIN issuance date, this repeals existing requirement under which provisional assessment was issued on registration.

2. Threshold for the presumptive tax regime increased from TZS 100m to TZS 200m

This measure aims to harmonize the presumptive tax threshold with the prevailing statutory VAT registration threshold. Presumptive taxpayers below 200m will have an option to prepare audited Financial Statements for the purpose of adopting self-assessment framework.

3. Increase presumptive tax rate from 3.5% to 4.5%

The rate will increase for taxpayers with income from TZS11m to 200m. This aims to fairly distribute tax burden based on actual income capacity across different adjustment business sizes.

4. Increase income tax for foreign digital service provider from 2% to 3%

The measure aims to increase government revenue. The measure will increase cost to the final consumers as the service providers will pass it on to their clients.

5. Reduction of retained earnings as deemed dividends from 30% to 15%

The Finance Act 2025 legalized deeming of 30% of profit as dividend. Now the 30% rate will be reduced to 15%. There will be exemption to application of deemed dividends to small financial sector, insurance companies, companies registered on the Dar es Salaam Stock Market (DSE) as well as institutions that have Framework Agreements with Government.

6. Amendment of the definition of forest produce for application of single instalment tax of 2%

The definition extends to include natural varnish, latex, resin, sap, and gum. Sale of newly categorized items will attract 2% tax rate, as a single instalment tax calculated on gross produce value.

Other forest produce including timber, logs, mirunda and poles will continue to apply rate of 3.5%.

This measure aims to widen tax base and establishing horizontal tax equity by aligning the newly introduced item with timber and logging tax framework.

7. Increase withholding tax rate on royalties for sport institutions or the TFF (Tanzania Football Federation) from 5% to 10%

This measure aims to align with principles of equity in taxation as the rate is also charged on royalty for film industry

8. Extension of withholding tax of 2% on payment for goods by all government related entities, institutions, agencies etc

The current procedure applies to a resident corporation whose budget is wholly or substantially financed by Government budget subvention



9. Introduction of non-final withholding tax of 1% on payment for food crops

The tax shall become due on date of purchase of such produce, prior to its transportation or upon the transfer of ownership of the produce to another person.

The 1% is applied on the market value of the produce.

10. Introduction of withholding of 1% on payments for live animals, unprocessed milk, unprocessed fish and fish maws

The purchasing company or institution will be agent for collecting the tax and submitting it to Tanzania Revenue Authority. The measure aims to increase the tax base, comply with the principles of equity in taxation and continue to formalize the informal sector.

11. Recognition of the tax exemption provisions stipulated in Framework Agreements signed between the Government and mining investors as approved by the Cabinet

The measure aims to accelerate the execution of joint venture mining projects across the country, Additionally the government will be able to establish standard procedures for granting exemptions.

Stamp Duty Act, CAP 189

• Amendment of definition of the term lease

Lease terminology to include documents of exchange of moveable property in the scope of stamp duty. This means transfers of moveable properties will now be subject to stamp duty similar to rent, buildings etc.

Amendment in stamp duty rates:

Description	Old rate TZS	New rate TZS
Bills of Sale by way of collateral security	1,000	10,000
Bills of sale by way of security	1,000	10,000
Cheque	100	500
Surrender of lease documents	1,000	2,000
Bills of exchange of property	-	5,000
Transfer of agricultural land	500	0.5%
Partnership deed with capital value not exceeding TZS1,000,000	1,000 and 5,000	5,000
Partnership deed with capital value exceeding TZS1,000,000	10,000	10,000

OTHER TAXES AND LEVIES

1. Tanzania Revenue Authority Act, CAP 399

• Increase of customs processing fees from 0.6 percent to 1 percent

This measure intends to increase Government revenue to be used in improving the electronic revenue collection system.

3. Amendments to online content service fees

Description	Old rate TZS	New rate TZS
Application fee for an online content service licence	50,000	10,000
Initial, annual and renewal fees for an online content service licence	500,000	50,000
Application fee for an online content aggregator licence	100,000	20,000
Initial, annual and renewal fees for an online content aggregator licence	1,000,000	100,000

2. The Registration and Identification of Persons Regulations, 2014

Introduction of a fee of TZS 500 to obtain information from the NIDA database

The measure is to finance the provision of these services, including printing costs and system usage costs, and to ensure the sustainability of identification services to citizens.

Reduction of application fee for an online content service licence from TZS 50,000 to TZS 10,000

Reduction of initial, annual and renewal fees for an online content service licence from TZS 500,000 to TZS 50,000

Reduction of application fee for an Online Content Aggregator licence from TZS 100,000 to TZS 20,000

Reduction of initial, annual and renewal fees for an Online Content Aggregator licence from TZS 1,000,000 to TZS 100,000

4. The Road Traffic Regulations, 2024

- *Increase the registration fee for two-wheeled motorcycles from TZS 95,000 to TZS 150,000*

The increase in registration fee is recommended to continue with the current procedure of not including these traders in the presumptive tax system

5. The Land Act, CAP 113

Distribution of the 20% of the revenue collected from land rent as 10% to the Ministry responsible for land affairs and 10% to the Local Government Authorities.

This measure aims to strengthen cooperation and increase efficiency in land surveying and land rent collection

6. The Bank of Tanzania Act, Cap 197

- *Reduction of short-term Government borrowing threshold from the Central Bank (overdraft) from 18% to 14%*

The measure aims to strengthen Government fiscal discipline.

The National Planning Commission Act

- *Establishment of a procedure for National development projects evaluation*

This measure aims to evaluate projects based on technical, financial, environmental, and economic criteria before being incorporated into the Government Budget.

The Roads and Fuels Tolls Act, CAP 220

- *Include tax exemption provisions stipulated in Framework Agreements signed between the Government and mining investors as approved by the Cabinet*

This measure aims to accelerate the execution of joint venture mining projects across the country.



9. The Road Traffic Act, CAP 168

- *Allow vehicle trailer registered in Tanzania Zanzibar to be used in Tanzania mainland.*

This measure aims to address the challenges in using such vehicles across the two sides of the Union. The trailer registered in Tanzania Zanzibar can be used in Tanzania mainland when all taxes concerned on the vehicle has been paid

10. Investment and Special Economic Zone Act, 2025

Inclusion of road tractors for semi trailers identified by HS Codes 8701.21.90, 8701.22.90, 8701.23.90, and 8701.24.90 on the negative list of goods that are not eligible for tax exemption.

11. The Weights and Measures Agency Regulations, 2025

- Increase the petroleum verification fee from TZS 0.15 per litre to TZS 1 per litre of petroleum products
- The objective of this measure is to increase revenue of WMA.

12. Ministry of Natural Resources and Tourism - introduction of a fee for:

- registration of a private museum for Tanzanian citizens at a rate of TZS 50,000
- registration of a private museum for Tanzanian institutions at a rate of TZS 100,000
- registration of a private museum for foreign citizens at a rate of TZS 500,000
- annual licence for operating a private museum by Tanzanian citizens at a rate of TZS 20,000
- annual licence or operating a private museum by a Tanzanian institution at a rate of TZS 100,000
- annual licence for operating a private museum by foreign institutions at a rate of TZS 300,000

13. The Tax Revenue Appeals Act, CAP 408

- *Extension of out-of-court tax dispute resolution to 90 days.*

It is proposed to amend the Tax Revenue Appeals Act, Cap. 408 to extend the statutory period for out-of-court amicable settlement of tax disputes between the Tanzania Revenue Authority and taxpayers from 60 days to 90 days.

This extension will apply from the date the Tax Appeals Board (TRAB) or Tax Appeals Tribunal (TRAT) issues an order allowing alternative dispute resolution. The measure is intended to provide both parties with sufficient time to resolve tax disputes amicably and efficiently, thereby promoting fair and effective tax dispute resolution.

14. Excise Duty Act, Cap 147

- To impose excise duty at a rate of 20% on imported artificial flowers, foliage, artificial fruits, and similar imported products classified under HS Heading 67.02. The aim of this measure is to reduce environmental impacts caused by the use of these products and to widen the tax base and increase Government revenue.

- To extend the scope of excise duty to non-resident suppliers rendering excisable services through online platforms directly to end-users (B2C) without physical presence in Tanzania. The objective of this measure is to align with equity principle of taxation and ensure fair competition between traditional service providers and online providers.

- To impose excise duty at the rate of 10% on imported ultraviolet/light-emitting diodes (UV/LED) gel nail curing machines used for manicure or pedicure, classified under HS Code 8516.79.00. The objective of this measure is to widen tax base and reduce potential health risks associated with the use of these products, including long term cancer risk.

- To increase the excise duty on beauty products classified under HS Headings 33.03; 33.04; 33.05; and 33.07 from 10% to 15%. The aim of this measure is to increase Government revenue and align the rate with tariffs applied by some East African Community member countries, including Kenya, Uganda, and Rwanda.



- To impose a 5% excise duty on motorcycles, excluding motorcycles specifically designed for transporting emergency patients (motorcycle ambulances), motorcycles that use natural gas, and electric motorcycles. The aim of this measure is to align with the Government's objectives to promote the use of clean energy on vehicle transportation in the country.

- To introduce a 10% excise duty on imported plastic or rubber clogs classified under HS Code 6402.99.00. The aim of this measure is to protect local industries producing plastic shoes and to encourage local manufactures.

- To impose a 5% excise duty on vehicles classified under HS Code 8703.21.90 with engine capacities (CC) from 1,000 and below.

The aim of this measure is to address negative externalities, broaden tax base and increase Government revenue.

- To impose excise duty at a rate of 5% on the value of bets in gambling activities, including land-based or online/internet sports betting, land-based or online/internet.

casino gaming, forty-machine slot games, and virtual games operations.

Additionally, 10% the revenue from this source will be remitted to the Gaming Board of Tanzania (GBT) to improve efficiency and regulation of gambling activities. The aim of this measure is to reduce the consequences caused by gambling which include addiction and a decline in the country's workforce due to a number of instead of productive economic pursuits. Moreover, this measure is expected to increase Government revenue, which, among other things, will be used to finance economic activities.

- To increase the excise duty rate on imported used vehicles from 15% to 20% for vehicles aged up to 8 years, and from 30% to 40% for vehicles over 10 years but not exceeding 20 years. Additionally, vehicles over 20 years old will be subjected to a 50% duty rate. This is an anti-dumping measure expecting to reduce the importation of these vehicles which largely contribute to environmental pollution due to the presence of solid waste that incurs high costs for disposal.

15. The Imports Control Act, Cap 276

Proposed to make amendments to the Import Control Act, Cap. 276, as follows:

- Exemption from industrial development levy (IDL) on qualifying products manufactured within East African Community. This strategy upholds regional commitments to non-discriminatory taxation, ensures fair competition, and safeguards Tanzanian exports.

- To impose a 5% IDL on imported exercise books and notebooks, classified under HS Codes 4820.10.00 and 4820.20.00.

To impose a 5% IDL on imported trailers classified under HS Codes 8716.31.90, 8716.39.90, and 8716.40.90.

- To impose a 10% IDL on imported fishing nets, classified under HS Code 5608.11.00;

- To impose a 5% percent IDL on imported doors, windows, and their frames, classified under HS Code 7610.10.00.

- To impose a 10% IDL on imported steel structure products, classified under HS Code 877308.90.99. and

- To impose a 5% IDL on imported aluminum structures classified under HS Code 7610.10.00.

The East African Community Customs Management, 2004

To promote domestic manufacturing of the underlying products, create employment locally and protection against significant increases in prices due to inflation etc. the Speech has proposed changes to the customs duty regime. These are included in the Appendix 1.

17. The Export Tax Act, CAP 196

Charge export tax of :

- 30% or TZS 200 per kg, whichever is higher on wastepaper classified under HS Code 4707.00.00. The objective of this measure is to stimulate value addition within the country and ensure the availability of this raw material for paper and box manufacturers within the country.

- 10% or TZS200 per kg, whichever is higher on quartz minerals classified under HS Heading 25.06 and Feldspar classified under HS Code 2529.10.00. The purpose of this measure is to ensure the availability of sufficient raw materials for marble and glass manufacturers in the country.

TZS50 per kilogram to:

- (i) Wheat bran classified by HS Code 2302.3000;
- (ii) Cotton cake classified by HS Code 2306.10.00;
- (iii) Rice bran classified by HS Code 2302.40.00;
- (iv) Maize bran classified by HS Code 2302.10.00; and
- (v) Sunflower cake classified by HS Code 2306.30.00. The purpose of this measure is to ensure adequate supply of these products, which are essential raw materials for animal feed production.



Appendix 1A: The proposed new changes in Common External Tariff

Proposed Change	Dutiable Good	HS Code	Applicable rate	Proposed rate	Objective
Grant Stay Application	Worked monumental or building stone	68.02	25%	35%	Promote the use of local stone;
	Aluminium bars, rods and profiles under	76.04	25%	25%	Protect local industry
	Washing powder	3402.49.00; 3402.50.00; 3402.90.00	25%	35%	Protect local industry, address under-invoicing
	Welding electrodes	8311.10.00	25%	35%	Protect domestic industry, address under-invoicing and under valuations of the imported products, attract investment
	Crude palm oil (CPO)	1511.10.00	0%	10%	Promote the processing of vegetable oils in the country using locally grown seeds, attract investment, and address misdeclaration and misclassification
	Calcium carbonate	2836.50.00	0%	10%	Protect local industry and attract investments in this sector
	Imported cotton grey fabric	5208.11.00; 5208.12.00; 5208.13.00; 5208.19.00; 5209.11.00; 5209.12.00; 5209.19.00; 5210.11.00; 5210.19.00; 5211.11.00; 5211.12.00; 5211.19.00; 5212.11.00; 5212.21.00	25%	35%	protect local manufacturer address under-invoicing and under valuations of the imported products, encourage production of cotton grey fabric in the country,
	Doors, windows and their frames and thresholds for doors, of plastic	3925.20.00	25%	35%	Protect local industry and attract investment
	Electric motor vehicles	8702.40.19; 8702.40.22; 8702.40.29; 8702.40.99; 8703.80.90; 8704.60.90.	25%	10%	Promote the use of electrical energy in transport sector in order to reduce dependence on petrol and diesel in the country
East African Community	Ceramic tiles	6907.21.00; 6907.22.00; 6907.23.00; 6907.30.00; 6907.40.00	35 %	35 %	Protect regional industry
	Nails, tacks, drawing pins, Corrugated nails staples and similar articles of iron or steel	7317.00.00.	35 %	35 %	Protect regional industry,
Grant duty remission	Manufacture corrugated boxes.	4805.24.00; 4805.25.00	25%	10%	Reduce cost of production and ensure availability
	Paper	4804.19.00; 4804.39.00; 4804.52.00	10%	0%	Manufacture corrugated boxes.
	Raw materials	3506.91.00; 3920.10.10	10% or 25%	0%	Reducing of cost of production
	Manufacturers of aluminium products	3210.00.99	35%	10%	Reducing production cost of aluminium products in the country and attract investment
	One year packaging materials			0%	Reducing production cost of acaricides in the country, attract investment and employment creation;
East African Community	Manufacture of concrete electric poles	7217.10.00; 7217.90.00		10%	Reducing production cost of these poles and facilitate supply of electricity in the region.

Appendix 1 B: The proposed measures that were effective in the financial year 2025/26 which continue to be implemented in 2026/27

Proposed Change	Item	HS Code	Old rate	Proposed rate	Objective
Grant stay application	Cash registers and other Electronic Fiscal Device (EFD) Machines	8470.50.00; 8470.90.00	10%	0%	Encourage the use of electronic devices for accounting of Government revenues at reduced costs of the machines
	Cocoa powder	1805.00.00	0%	10%	Promote domestic cocoa seeds processing
	Rods, sticks and profile shapes	3916.10.00; 3916.20.00; and 3916.90.00	0%	10%	To increase government revenue
	safety matches under	3605.00.00	25%	25%	Protect domestic manufacturers of safety matches
	Mineral and aerated waters	2201.10.00.	25%	60%	To protect the domestic manufacturers of safety matches
	Gypsum powder	2520.20.00	0%	10%	Protect gypsum powder producers in the country
	Worn items of clothing, footwear and articles	6309.00.10; 6309.00.20 and 6309.00.90	35%or USD 0.40/Kg	35%	To protect the consumer welfare
	New pneumatic tyres of rubber, of a kind used on motorcycles	4011.40.00	10%	25%	To encourage domestic investment in production of pneumatic tyres in the country
	Baby diapers	9619.00.90	25%	35%	To protect local manufacturer of baby diapers
	Cotton yarn	52.05; 52.06; and 52.07 except subheading 5205.23.00.	10%	25%	To protect and promote production of cotton yarns in the country.
	Horticultural products	0604.20.00;0604.90.00; 0808.10.00; and 0808.30.00	25%	35%	To protect local producers of these products
	Polyester/ Nylon Twine	5607.50.00	10%	25%	Protect local manufacturer of polyester/nylon twine and employment creation;
	Smart cards	8523.52.00	25%	0%	facilitate issuance of National Identification Cards;
	Imported Vitenge	5208.51.10;5208.52.10; 5209.51.10;5210.51.10; 5211.51.10;5212.15.10; 5212.25.10; 5513.41.10; and 5514.41.10	50%	35%	Protect consumer welfare;
	Other paper, paperboard, cellulose wadding	4811.90.00	10%	25%	Protect local manufactures and attract investment in the country
	Cane sugar	1701.14.90	100% or US\$ 460/MT	35%	Cover the sugar production gap in the country;
	Float, toughened and multiple-walled insulating units of glass	7005.10.00;7005.21.00; 7005.29.00;7005.30.00; 7007.19.00; 7007.29.00 and 7008.00.00	10%	35%	Promote competitiveness of the domestic products with similar products imported from the rest of the world;
	Table salt	2501.00.90	35%	50%	Protect local manufacturer of salt
	Crude vegetable oils of soya-beans, groundnuts, coconuts, mustard and linseed	1507.10.00;1508.10.00; 1513.11.00;1513.21.00; 1514.11.00;1514.91.00; and 1515.11.00	0%	10%	Promote domestic production of vegetable oils;
	Buses for transportation of more than 25 persons	8702.10.99; 8702.20.99 and 8702.90.99	25%	0%	De- congest the city and ease the transportation system within the country;
	Unbleached Kraft paper and paperboard	4804.51.00	10%	25%	
	Fiberboard of wood or other ligneous materials such as medium density fiberboard (MDF)	44.11	25%	35%	Protect local manufacturers
	Plywood, veneered panels and similar laminated wood	44.12	25%	35%	Protect local manufacturers
	Refined vegetable oils	1507.90.00; 1508.90.00; 15.09; 15.10; 1511.90.30; 1511.90.90;1512.19.00; 1512.29.00;1513.19.00;	35%	35% or US\$ 300/MT	Protect and promote the processing of vegetable oils in the country using locally grown seeds and imported crude palm oil,

Budget highlights on the proposed tax amendments for the year 2026/2027

		1513.29.00;1514.19.00; 1514.99.00;1515.19.00; 1515.29.00; 1515.50.00; 1515.60.00 and 1515.90.00.			employment creation and increase Government revenue;
	One year on packaging materials	7310.21.00; 6305.10.00;	25%	0%	Reducing packaging material costs for coffee processors in the country;
	Iron and steel product	7209.26.00;7209.27.00; 7209.28.00;7209.90.00; 7211.23.00; 7211.90.00; 7226.92.00 and 7225.50.00.	10%	10%	Protect manufacturers of iron and steel products in the country
	Corrugated iron sheets	7210.30 and 7210.41.00.	35%	35% or US\$ 500/MT	Employment creation and increase Government revenue;
	Flat-rolled products of iron	7210.49.00;7210.61.00; 7210.69.00;7210.70.00; and 7210.90.00	25%	35%	Protect local manufacturers, address under invoicing
	Flat rolled products	7212.20.00	10%	10% or 125 USD/MT	To protect local manufacturers against undervalued imports
	Flat-rolled products of iron	7212.30.00.	25% or US\$ 200/MT	25% or US\$ 300/MT	protect local manufacturers
	Flat-rolled products of iron or non-alloy steel	7212.40.00 and 7212.50.00.	35%	35% or US\$ 350/MT	Protecting local manufacturers, employment creation and increase Government revenue
	Flat-rolled products of iron or non-alloy steel	7212.60.00.	10%	10% or US\$ 300/MT	employment creation and increase Government revenue;
	Hot-rolled bars and rods, of iron or non-alloy steel	7213.10.00;7213.20.00; and 7213.99.00	25% or US\$ 200/MT	25% or US\$ 250/MT	Protect iron and steel manufacturers in the country
	Bars and rods of iron or non-alloy steel	72.14	35%	35% or US\$ 250/MT	Protecting local manufacturers, attract investment
	Flat-rolled products of other alloy steel	7225.91.00;7225.92.00; and 7225.99.00	10%	25% or USD 300/MT	To protect local iron and steel manufacturers and creation of employment.
	Semi-finished flat rolled products	7226.99.00.	10%	10% or US\$ 300/MT	Employment creation and increase Government revenue;
	Iron and steel	7306.30.00;7306.50.00; 7306.61.00;7306.69.00; and 7306.90.00	25% or USD 200/MT	25% or USD 250/MT	Reduce costs of milk production
Grand Duty Remission	Imported wheat grain	1001.99.10 and 1001.99.90	35%	10%	Reduce the cost of production
	Refined Bleached Deodorized (RBD) Palm Stearin	1511.90.40	10%	0%	Promote domestic manufacturers of soaps;
	Raw materials, accessories and machineries used to manufacture textiles and leather products				Promoting textiles and leather products manufacturers in the country;
	Organic surface-active agents	3402.31.00;3402.39.00; and 3402.49.00	10% or 25%	0%	To reduce the cost of inputs for detergents and liquid soaps for local manufacturers
	Raw material	3208.20.10;3208.20.20; 3208.90.20 and 3210.00.10	35% or 10%	0%	To promote growth of local leather
	CKD for three-wheel motorcycle	8704.21.90	25%	10%	To reduce cost of production for local manufacturers of three-wheel motorcycles
	Inputs used to manufacture soap.	3401.20.10	35%	10%	To promote growth of local manufacturers of soap
	Manufacture electrical cables	7312.10.00;7217.20.00; 7408.19.00;7409.11.00; 7605.21.00;2710.19.56; 3815.90.00;5402.19.00; 5903.90.00;7907.00.00; and 2712.10.00	10% or 25%	0%	Reduce cost of these inputs used by local manufacturers

Budget highlights on the proposed tax amendments for the year 2026/2027

	One year on inputs under HS Codes	7409.11.00;7409.19.00; 7410.11.00;7410.12.00; 7409.21.00;8001.10.00; and 3810.90.00	10% or 25%	0% for one year	Reduce cost of production and encourage domestic investment in production of radiators
	One year on lithium-ion electric accumulators	8507.60.00	25%	0%	ensuring availability of the final product at an affordable price in the country;
	Raw material for manufacturing fertilizers	2710.99.00; 2528.00.00; and 3505.20.00	25% or 10%	0%	To promoting growth of local manufacturers of fertilizers
	Inputs and raw materials under HS	3215.19.00;3403.99.00; 3506.91.00;3818.00.00; 3907.99.00;3907.99.00; 3916.90.00;3917.39.00; 3919.90.90;3920.69.90; 3920.99.90;3921.14.90; 3921.90.90;5402.11.00; 5404.90.00;7019.90.90; 8536.90.00; and 8544.49.00		0%	Employment creation and promote local investment in communication sector;
	imported items	4811.90.00	25%	10%	Protect local manufactures of this paper;
	Imported items	2713.20.00;5603.14.00; 2710.19.59; and 3920.10.10	10%	0%	Reduce local manufacturers of waterproofing
	Manufacturer of waterproofing membranes	6802.99.00	35%	10%	Reduce costs of these inputs used by local manufacturers
	Packaging materials	4819.20.90; 5407.44.00;	25%	0%	To reduce costs of tea blenders in the country
	Packing processed coffee	7310.21.00; and 6305.10.00	25%	0%	Reducing packaging material costs for coffee processors in the country
	Packaging materials	6305.10.00;4819.40.00; 7310.29.90;6305.33.00; 6305.20.00; 6304.91.90 and 7607.19.90;	25%	0%	Reduce the cost of packaging materials for domestic producers of agricultural seeds;
	One year on inputs	3923.50.90;4819.20.90; 4819.30.00;4819.50.00; 4821.90.00; and 7607.19.90	25%	0%	Reduce costs of milk production.

Dar es Salaam

395 Ursino Building, 4th Floor,
Morocco Junction, Mwai Kibaki Road
P O Box 76062, Dar es Salaam

MOSHI

NSSF Commercial Complex
1st Floor Aga Khan Road
Moshi

Arusha

PSSSF Plaza Plot No 15,
5th Floor Corridor Street
(Off Old Moshi Road)

Caveat

This bulletin has been prepared for general guidance on matters of interest only, it does not constitute professional advice. You should not act or refrain from acting, in reliance on the information contained herein. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this bulletin.